

COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON THE CIVIL SERVICE AND AGENCY REORGANIZATION
CONGRESSWOMAN JO ANN DAVIS, CHAIRWOMAN



MEDIA ADVISORY

FOR IMMEDIATE RELEASE:
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***Civil Service Subcommittee to Examine Pre-Tax Health Care for
All Federal Retirees and Active Duty Military Personnel***

What: **Hearing, "Making Health Care More Affordable:
Extending Premium Conversion to Federal Retirees"**

When: **Wednesday, July 9, 2003 at 2: 00 p.m.**

Where: **Room 2247, Rayburn House Office Building**

Background:

Since October 2000, federal civilian employees have been able to pay their Federal Employee Health Benefits Program premiums with pre-tax dollars, a benefit known as "premium conversion" that had long been available in the private sector. This saves the average federal employee about \$435 a year in insurance premiums.

H.R. 1231 and S. 623, introduced earlier this year by Rep. Tom Davis (R-Va.) and Sen. John Warner (R-Va.) would extend premium conversion to federal retirees, military retirees and active duty military personnel. Since 1998, premiums for FEHBP have increased at least 10 percent each year, absorbing most of the gains retirees earn through their cost-of-living increases.

Witnesses:

Rep. Tom Davis (R-Va.), Chairman, House Government Reform Committee

Charles L. Fallis, President, National Association of Retired Federal Employees

William H. Young, President, National Association of Letter Carriers

Sue Schwartz, Deputy Director, Military Officers Association of America

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